

Declaration by the Management Board and the Supervisory Board of LANXESS Aktiengesellschaft pursuant to Article 161 of the German Stock Corporation Act regarding the German Corporate Governance Code

After careful consideration, the Management Board and the Supervisory Board hereby issue the following declaration:

“LANXESS AG fundamentally complies with the recommendations of the Government Commission on the German Corporate Governance Code (the “Code”) as amended on June 2, 2005, which was published by the Federal Ministry of Justice in the official portion of the electronic version of the Federal Gazette. It also fundamentally complied with the Code’s recommendations during the period from January 31, 2005, the date on which it was first listed on the stock exchange, to July 20, 2005 (Code version of May 21, 2003) and from July 21, 2005 to December 31, 2005 (Code version of June 2, 2005, published on July 20, 2005):

The only recommendations that LANXESS has not met and currently is not meeting are as follows:

1. Section 3.8 Paragraph 2 If the company takes out a D&O (directors and officers’ liability insurance) policy for the Management Board and Supervisory Board, a suitable deductible shall be agreed.

We have a D&O insurance policy for the members of our Management Board and Supervisory Board, but it does not provide for a deductible. LANXESS believes that a deductible is not a suitable way of influencing the Management Board and Supervisory Board members’ awareness of their responsibilities.

2. Section 5.4.7 Para. 2 Sentence 1 Members of the Supervisory Board shall receive fixed compensation as well as compensation based on the company’s performance.

The members of our Supervisory Board currently only receive fixed compensation. It is intended to implement the Code’s recommendation and submit a proposal concerning long-term performance-related compensation to the next Annual Stockholders’ Meeting.

3. Section 7.1.2 Sentence 3 The consolidated financial statements shall be publicly accessible within 90 days of the end of the fiscal year; interim reports shall be publicly accessible within 45 days of the end of the reporting period.

LANXESS will considerably shorten the publication deadlines in 2006 as compared to 2005 and will endeavor to meet the deadlines recommended by the Code in 2007. Because LANXESS is a recently formed company where reorganization is still in progress, we exceeded the recommended publication deadlines in 2005 and will continue to exceed them in 2006 in order to ensure the high quality of our financial reporting.

4. Section 5.1.2. Para. 2 Sentence 3 At its meeting on May 30, 2005, the Human Resources Committee of the Supervisory Board set the maximum retirement age for Management Board members at 65 years, thus rectifying as of that date the non-compliance with Section 5.1.2 Para. 2 Sentence 3 of the Code that had existed since January 31, 2005.

In addition to its recommendations, the Code also contains a number of suggestions for efficient, responsible corporate governance, compliance with which is not required to be disclosed under the statutory provisions. LANXESS is now in compliance with these suggestions as well, with only a few exceptions.

In accordance with Section 3.10 Sentence 3 of the German Corporate Governance Code, the Management Board and the Supervisory Board therefore voluntarily make the following declaration:

“LANXESS AG fundamentally complies with the suggestions of the Government Commission on the German Corporate Governance Code (the “Code”) as amended on June 2, 2005, which was published by the Federal Ministry of Justice in the official portion of the electronic version of the Federal Gazette. It also fundamentally complied with the Code’s suggestions during the period from January 31, 2005, the date on which it was first listed on the stock exchange, to July 20, 2005 (Code version of May 21, 2003) and from July 21, 2005 to December 31, 2005 (Code version of June 2, 2005, published on July 20, 2005):

The only suggestions that LANXESS has not met and is not meeting are as follows:

1. Section 2.3.3 Sentence 3 2nd Half-Sentence The Management Board shall arrange for the appointment of a representative to exercise stockholders’ voting rights in accordance with instructions; this representative should also be reachable during the Stockholders’ Meeting.

The representative appointed by LANXESS AG to exercise stockholders’ voting rights in accordance with instructions can be reached at the Stockholders’ Meeting until the voting is held. Stockholders not attending the meeting can reach the representative until the previous evening.

2. Section 2.3.4 The company should make it possible for stockholders to follow the Stockholders’ Meeting using modern communication media (e.g. Internet).

The Stockholders’ Meeting is broadcast on the Internet through and including the report of the Management Board. Continued broadcasting of the proceedings thereafter could be seen as a significant violation of the stockholders’ rights to privacy. Therefore there are no plans to broadcast, in particular, the speeches made by individual stockholders, or any other part of the meeting after the Management Board’s report.

3. Section 5.4.6 The election or re-election of members of the Supervisory Board at different dates and for different terms of office enables changing requirements to be taken into account.

At LANXESS AG's first Annual Stockholders' Meeting, the stockholder representatives on the Supervisory Board were elected to hold office until the end of the stockholders' meeting that votes on the ratification of the actions of Supervisory Board members for fiscal year 2009. The employee representatives had been previously appointed by the court for the same term of office. Because of the circumstances in which LANXESS AG was formed, it was not possible to establish different terms of office for different Supervisory Board members. We believe that the uniform term of office is an effective way of ensuring the continuity of the Supervisory Board's work.

4. Section 5.4.7 Para. 2 Sentence 2 Performance-related compensation should also contain components based on the long-term performance of the company.

As is the case with Section 5.4.7 Para. 2 Sentence 1 of the Code, LANXESS plans to comply with this suggestion in the future.

Leverkusen, March 21 / March 31, 2006

For the Supervisory Board
Dr. Rolf Stomberg

For the Management Board
Dr. Axel C. Heitmann Matthias Zachert